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FILED
AUG 26 2011
DEPARTMENT OF REAL ESTATE
By

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

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To: MEREDIAN LOAN SERVICES CORPORATION; MEREDIAN FINANCIAL CORPORATION; FORTIS TITLE SOLUTIONS CORPORATION; PAUL ANTHONY FERRIS; and JAMES TOUFIC ASSALI.	No. H-37479 LA ORDER TO DESIST AND REFRAIN (B&P Code Section 10086)

The Commissioner ("Commissioner") of the California Department of Real Estate ("Department") caused an investigation to be made of the activities of MEREDIAN LOAN SERVICES CORPORATION, MEREDIAN FINANCIAL CORPORATION; FORTIS TITLE SOLUTIONS CORPORATION; PAUL ANTHONY FERRIS and JAMES TOUFIC ASSALI. Based on that investigation the Commissioner has determined that MEREDIAN LOAN SERVICES CORPORATION, MEREDIAN FINANCIAL CORPORATION; FORTIS TITLE SOLUTIONS CORPORATION; PAUL ANTHONY FERRIS and JAMES TOUFIC ASSALI. have engaged in or are engaging in acts or attempting to engage in the business of, acting in the capacity of, and/or advertising or assuming to act as real estate brokers in the State of California

within the meaning of Business and Professions Code Sections 10131 (a) (solicit prospective sellers or purchasers or negotiate the purchase, sale or exchange of real property) and 10131(d) (solicit borrowers for or negotiate loans or perform services for borrowers in connection with loans secured by liens on real property).

In addition, based on that investigation, the Commissioner has determined that MEREDIAN LOAN SERVICES CORPORATION; MEREDIAN FINANCIAL CORPORATION; FORTIS TITLE SOLUTIONS CORPORATION; PAUL ANTHONY FERRIS; and JAMES TOUFIC ASSALI have engaged in or are engaging in acts or are attempting to engage practices constituting violations of the California Business and Professions Code ("Code") and/or Title 10, California Code of Regulations ("Regulations"). Based on the findings of that investigation, set forth below, the Commissioner hereby issues the following Findings of Fact, Conclusions of Law, and Desist and Refrain Order under the authority of Section 10086 of the Code.

FINDINGS OF FACT

1. From March 19, 2003 through March 18, 2011, MEREDIAN LOAN SERVICES CORPORATION ("MEREDIAN") was licensed (License No. 01303565) as a real estate corporation. From March 19, 2007 through March 18, 2011, MEREDIAN was acting by and through PAUL ANTHONY FERRIS ("FERRIS") as its designated broker-officer pursuant to Code Section 10159.2 to be responsible for ensuring compliance with the Real Estate Law.

2. From July 31, 1997 through the present, FERRIS has been licensed (License No. 01061844) as a real estate broker. From March 19, 2007 through March 18, 2011, FERRIS was the broker-officer of MEREDIAN.

3. From June 16, 1998 through the present, JAMES TOUFIC ASSALI ("ASSALI") has been licensed (License No. 01238666) as a real estate salesperson. From October 26, 2006 through March 11, 2010, ASSALI was licensed under the employ of MEREDIAN.

4. MEREDIAN FINANCIAL CORPORATION and FORTIS TITLE SOLUTIONS CORPORATION are not now, and have never been, licensed by the Department in any capacity.

5. For an unknown period of time beginning no later than February 2009, ASSALI and FERRIS, while using the fictitious business names MEREDIAN LOAN SERVICES CORPORATION, MEREDIAN FINANCIAL CORPORATION, FORTIS TITLE SOLUTIONS CORPORATION, or other fictitious business names not known at this time, engaged in the business of soliciting to modify or negotiate loans secured by real property, and claimed, demanded, charged, received, collected or contracted for the collection of advance fees, within the meaning of Code Section 10026, for including, but not limited to, the following borrowers: Marlon S., Jane H., Willard M., Joyce D., Robert C., Katherine S., Christopher A., Lisa V., Joyce S., Paul S., Karen S., Michael L., Barbara T., Leonard M., Jr., Joseph R., Jr., Marcia B. M-P., and Horace W. Said borrowers paid an advance fee pursuant to an advance fee agreement for loan modification and negotiation services in connection with a loan secured by real property.

6. The materials and advance fee agreements used by MEREDIAN and FERRIS had not been approved by the Department prior to use as is required under Code Section 10085 and Regulation 2970.

7. The advance fees collected by MEREDIAN and FERRIS were not deposited in a trust account and a verified accounting was not provided, as required under Code Section 10146 and Regulation 2972.

CONCLUSIONS OF LAW

8. Based on the information contained in Paragraphs 1 through 7, above, MEREDIAN LOAN SERVICES CORPORATION, FERRIS, and ASSALI, violated Code Sections 10085 and 10085.6 of the Code and Regulation 2970 by failing to submit advance fee agreements and materials to the Department prior charging and collecting advance fees from any person.

9. Based on the information contained in Paragraphs 1 through 7, above, MEREDIAN LOAN SERVICES CORPORATION and FERRIS violated Code Section 10146 and Regulation 2972 by failing to furnish a verified copy of accounting content which includes identification of the trust fund account into which the advance fee had been deposited, description of services rendered, the amount allocated or disbursed from the advance fee at the end of each calendar quarter and when the contract has been completely performed by the licensee.

10. Based on the information contained in Paragraphs 1 through 7, above, MEREDIAN LOAN SERVICES CORPORATION and FERRIS violated Section 10159.5 of the Code and Section 2731 of the Regulations by using an unlicensed fictitious business name to conduct activities that require a real estate license.

11. Based on the information contained in Paragraphs 1 through 7, above, MEREDIAN FINANCIAL CORPORATION and FORTIS TITLE SOLUTIONS CORPORATION violated Code Section 10130 by engaging in activities requiring a real estate license, while using their own names or any/other unlicensed fictitious business names, without first obtaining a broker license from the Department.

DESIST AND REFRAIN ORDER

Based upon the FINDINGS OF FACT and CONCLUSIONS OF LAW stated herein, IT IS HEREBY ORDERED THAT, MEREDIAN FINANCIAL CORPORATION and FORTIS TITLE SOLUTIONS CORPORATION, immediately desist and refrain from: engaging in the activities requiring a real estate license, under their own names or any fictitious business names, without first obtaining a broker license or acting as a salesperson under the employ of a licensed real estate broker.

IT IS FURTHER ORDERED THAT MEREDIAN LOAN SERVICES CORPORATION, PAUL ANTHONY FERRIS, and JAMES TOUFIC ASSALI, whether doing business under their own names or any other fictitious names, ARE HEREBY ORDERED TO:

1. Immediately desist and refrain from charging, demanding, claiming, collecting and/or receiving advance fees, as that term is defined in Code Section 10026, in any form, and under any conditions, with respect to the performance of loan modification or any other form of mortgage loan forbearance services in connection with loans on residential property containing four or fewer dwelling units (Code Section 10085.6).

2. Immediately desist and refrain from charging, demanding, claiming, collecting and/or receiving advance fees, as that term is defined in Code Section 10026, for any of the other real estate related services offered to others, unless and until MERIDIAN LOAN SERVICES CORPORATION and PAUL ANTHONY FERRIS and each of them, demonstrate and provide evidence satisfactory to the Commissioner that each:

a. Has an advance fee agreement which has been submitted to the Department and which is in compliance with Code Section 10085 and Regulation 2970;

b. Has placed all previously collected advance fees into a trust account for that purpose and is in compliance with Code Section 10146; and

c. Has provided an accounting to trust fund owner-beneficiaries from whom advance fees have previously been collected in compliance with Code Section 10146 and Regulation 2972.

3. Immediately desist and refrain from using any unlicensed fictitious business name to conduct activities that require a real estate license unless you hold a license bearing the fictitious business name as required under Code Section 10159.5 and Regulation 2731.

DATED: 8/19, 2011.

BARBARA J. BIGBY
Acting Real Estate Commissioner

Notice: Business and Professions Code Section 10139 provides that "Any person acting as a real estate broker or real estate salesperson without a license or who advertises using words indicating that he or she is a real estate broker without being so licensed shall be guilty of a public offense punishable by a fine not exceeding twenty thousand dollars ($20,000), or by imprisonment in the county jail for a term not to exceed six months, or by both fine and imprisonment; or if a corporation, be punished by a fine not exceeding sixty thousand dollars ($60,000)."

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